

CIGARETTES

1/8/96

CONTD.

self service package fixtures. Stores that have both cartons and packs locked up will receive no payments from R.J. Reynolds in '96. On average that equates to about \$4,500 per store.

If you currently have non-self service cartons and non-self service packages, I urge you to consider putting single pack cigarettes back out on the sales floor. By doing this, your store will receive rack payments of up to \$4,500 per year. This payment along with the known gain on packs should more than off-set your shrink.

Attached to this letter you will find your store's carton fixture planogram and what your '96 rack payment will be. Also a reset schedule is attached. Again only minor changes are being made and the planogram changes will be minimal in most stores.

As you look over this information, if you have any questions, please call.

Terry Frey
ASSIST. DRUGSTORE MERCHANDISER

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cc: Brent Scott, Pete Williams, Lisa Holsclaw, Dave Bodner, Jack Fair,
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